



PRESS RELEASE

SUSTAINABLE APPAREL COALITION AND HIGG CO WELCOME REPORT INTO ENVIRONMENTAL MEASUREMENT TOOL: AGREES TRANSPARENCY WILL ACCELERATE SUSTAINABILITY IMPACT.

August 19, 2020 SAN FRANCISCO -- Sustainability technology company, Higg Co and the multi-stakeholder industry organization Sustainable Apparel Coalition (SAC) today welcomed the release of a four-year long study by researchers at the University of California, Berkeley into the impact of the Higg Facility Environmental Module (Higg FEM), one of the core sustainability assessment tools on the Higg Index platform, rapidly being adopted by the apparel, footwear and textile industry. The study was based on open access to data provided to researchers by the SAC.

The independent research, conducted between 2015 and 2018 concludes that, while the Higg Index has laid an important foundation for factory data collection and measurement, increased transparency and more robust incentives between buyers and factories are critical to enabling its full potential. "We absolutely agree that scores should be transparent. Open and credible data has always been the ultimate goal of these industry tools, and we are getting closer to this being realized. Manufacturer members of the Sustainable Apparel Coalition can already communicate their performance scores and, in the coming months, all verified Higg FEM assessments will be shareable," said SAC Executive Director, Amina Razvi.

Razvi continues, "When it comes to incentives, this is an industry-wide problem that requires an industry-wide solution. The Higg FEM is a measurement tool that offers data which companies can leverage to make decisions that incentivize factories. Ultimately, the data is only useful if brands and retailers use it to drive stronger sustainability outcomes for their companies and in factories where their products are made."

Jason Kibbey, CEO of Higg Co, who provided the researchers with open access to Higg Index data for this research while in his former position as CEO of the SAC, noted that the opportunity to gather insights to inform continued tool development was embraced as a valuable by-product of the study from the outset.

"Like all Higg tools and services, the Higg FEM was designed to continuously evolve. The study was based primarily on FEM 2.0 and it has changed considerably with the current 3.0 version," said Kibbey. The Higg Co and SAC teams are already using the recommendations from this

research to make newly released features, such as factory score transparency, available to users and to inform new versions of the tool and its future functionality.

Kibbey notes that data verification has scaled significantly in terms of total number of verifications completed since the research concluded. “We’ve also seen the difference between self-assessed and verified data results get smaller and smaller and factories now have access to benchmarking to see how they performed relative to their peers,” he said.

The organizations say they appreciate that the research concludes that the Higg Index has laid an important foundation for factory measurement. “We’ve seen important changes since the report was published — factories can now share their scores transparently and additional brands are incorporating Higg FEM scores into purchasing decisions — but we want to see more,” said Kibbey.

In commenting about the Higg FEM’s current state and its future, Dara O’Rourke, one of the report’s authors, noted that, “Higg FEM created a thorough standardized assessment for environmental management and performance of factories that is nearly ubiquitous across the apparel and footwear sector. This is remarkable compared to the lack of standardization amongst labor assessments. With transparency and incentives it has the potential to transform the environmental impact of an industry that desperately needs it.”

As noted in the report, after its completion Higg Co invited the report’s co-author, recent Berkeley PhD graduate and data scientist, Niklas Lollo to consult for the company. “Nik is an incredibly talented data scientist with unparalleled knowledge of Higg FEM assessment data. We want to use his insights to continue to learn from our data, identify weaknesses, and improve our tools,” added Kibbey.

Read the full report here: <https://osf.io/preprints/socarxiv/g67d8/>

About Higg Co

Higg Co is a technology company formed in 2019 to deliver, implement and support unified sustainability measurement tools for consumer goods industries, beginning with the apparel, footwear and textile sector. The Higg Index is a suite of tools that enables brands, retailers and facilities of all sizes — at every stage in their sustainability journey — to accurately measure and score a company or product’s sustainability performance. The Higg Index delivers the only end-to-end value chain sustainability performance framework available, enabling businesses to make meaningful improvements that protect the environment, people and communities. For more information visit www.higg.com.

About the Sustainable Apparel Coalition (SAC) The Sustainable Apparel Coalition (SAC) is an industry-wide group of more than 250 leading apparel, footwear and textile, brands, retailers, suppliers, service providers, trade associations, nonprofits, NGOs and academic institutions working to promote social justice throughout the global value chain and reduce the

environmental impacts of products. Through multi-stakeholder engagement, the SAC seeks to lead the industry toward a shared vision of sustainability built upon a common approach for measuring and evaluating apparel, footwear and textile sustainability performance that spotlights priorities for action and opportunities for technological innovation. The SAC was incorporated as a 501(c)6 nonprofit organization and launched the groundbreaking Higg Index suite of tools in 2011. In May 2019, the SAC spun-off the Higg Index technology platform to the newly formed Higg Co. For more information, visit www.apparelcoalition.org.

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